

Staying home: supporting ageing in place

Dr Matthew Hutchinson

Peddle Thorp



Part 1:

The future of ageing-in-place: demographics, desire, and design

Dr Victoria Cornell, Research Manager, ECH

Who and what is ECH? ‘Enabling Confidence at Home’

- › ECH, established in 1964, is one of the largest not-for-profit providers of integrated retirement living accommodation and ageing care services in South Australia
 - › Retirement living:
 - › 1908 units across 110 villages; almost 30% of units are rental
 - › 68% of residents female
 - › 70% of residents live alone
 - › Home care:
 - › 1233 home care package (HCP) clients
 - › 65% of HCP clients female
 - › 43% of HCP clients live alone
 - › 63% of HCP clients live in their own home
 - › 75% of HCP clients receiving aged pension
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The issue in brief...

- › Changing demographics among ECH clients
 - › age
 - › socio-economic situation
 - › And changes in:
 - › trends in housing stock to resident ratios
 - › single versus couple occupancy
 - › residents who own their home under a licence to occupy versus those renting our affordable rental accommodation (available to those on low incomes with minimal assets, at costs below market rates)
 - › changing attitudes to the design and size of homes, and potential alternative models of living (for example home share)
 - › the possibility of remaining at – and dying at – home, and implications for the broader ECH service suite
 - › What do these changes mean – for ECH, the retirement living sector, and for housing and older people in general?
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Previous AHURI research

- › When older Australians move, financial downsizing is a bit more common than physical downsizing:
 - › ‘push factors’ - deterioration in health, a transition to retirement, widowhood or children leaving home
 - › ‘pull factors’ - desire to be closer to family, or a better lifestyle
 - › Between 1987 and 2015, the real mortgage debt of older mortgagors aged 55 years + rose by 600%
 - › Older mortgagors’ average mortgage debt to income ratio tripled from 71% to 211% between 1987 and 2015
 - › Older people comprise more than a third of public housing tenants nationally
 - › In 2031, we can expect that over 200,000 older Australians will be living in private rental housing and in need of assistance with one or more activities
 - › Yet older Australians do not wish to be in the private rental market with 80% aspiring to ownership
 - › While the number of bedrooms, building quality and dwelling type are important, safety and security and having somewhere that feels like home are critical, i.e., aspirations are driven by a desire for long-term, stable and comfortable housing
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Demand

- › Retirement village living is not the preferred choice – only ~ 6% of older people live in a retirement village
 - › Broadly, unmet demand for appropriate, accessible, and affordable housing for the large emerging cohort of older Australians is increasing due to:
 - › inadequate supply of suitable homes (size, location, design, cost)
 - › reduction in homeownership among older adults
 - › private rental sector issues (tenure length, security, condition)
 - › We know there is a preference for ageing in place due to:
 - › lack of suitable alternatives – e.g., home design, location, retaining community ties
 - › disturbance and cost of moving is high
 - › perceived ‘bad deal’, or lack of interest in, moving into a retirement village, in terms of contract options, living in an environment of one generation, built environment/ design considerations
 - › Not knowing if they can stay in their homes and communities as they age is a significant source of fear and anxiety for older people, especially if the perceived only alternative is an aged care facility
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ECH demographics – snapshot

Singles vs Couples

	Dec-14	Dec-15	Dec-16	Dec-17	Dec-18	Jul-21
Singles	1226	1237	1250	1290	1292	1397
Couples	272	258	262	253	237	303
Total residents	1770	1753	1774	1796	1766	2003
% Couple residency	18%	17%	17%	16%	16%	18%

Average tenure – 9 years LTO, 5.5 years rental

Average age – 80 years, down to 74 years for Encore

Desire and design

- › The coming cohort of older people is looking for something different from their housing
 - › Applies to retirement living providers, the ownership sector and private and social rental housing
 - › ECH finding strong demand for two bed homes – where shopping, recreation and allied health services are situated within walking distance or a short drive from home
 - › Homes need to be designed with older Australians in mind, being easily adaptable when required, but not institutional in appearance
 - › Newer villages are preferred by incoming residents – better designed, have better thermal regulation, feel more modern, have cafes, allied health etc., and feel less like a traditional village
 - › Even within retirement villages, there is interest in alternative living and management options, e.g., co-housing style living and home share opportunities
 - › Anecdotal, many residents will move into ECH one bed units, not because of preference but limited choices
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Recapping...

- › ECH's current housing options do not suit the aspirations of many older Australians who no longer accept a 'that will do' retirement village home – either new or an upgraded one – hard when many of our villages are quite old
 - › Fresh, modern, light and spacious homes are expected; means a high financial, time and resident management investment in raising quality of existing homes and master planning new offerings
 - › We (ECH, govt, society) encourage people to live active lives; retirement village homes need storage for golf clubs, space for children/ grandchildren to visit, parking options for caravans
 - › One-bed units are not in demand, and are primarily allocated for rental residents, who *typically (but not exclusively)* have not downsized from big family homes
 - › Even so, increasing numbers of older people seeking our rental units, due to affordability and security of tenure
 - › Different ways of living are also sought within villages, e.g., co-housing-style
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The future...

- › We know from AHURI and other research that Australia will likely see an increasingly tenure polarised older population
 - › Uncertainty remains among older people regarding entrance and exit fees involved in retirement living – they need to be absolutely convinced of the value of ‘buying in’ – both financially, and built environment/ design appeal
 - › The benefits of living in age specific housing, given the extent to which it achieves the objectives of ageing in place, need to be better promoted and understood (both providers and older people)
 - › Innovation is occurring...slowly...however completely new build villages are rare, and retrofitting can be challenging
 - › Innovation is challenged by state/ territory retirement living legislation
 - › Offerings that enable flexibility in retirement living are needed – including entry/ exit fee options, greater availability of quality (and larger) rental homes, homes with storage and extra rooms for family/ hobbies etc.
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Take home message?

Retirement living sector experiences many of the same issues as housing in the general community

If the sector wishes to remain competitive...and grow...it needs to rise to the challenge of being:

- › Innovative with its housing models, design and broader service suite (within legislative boundaries)
 - › More inclusive e.g.,
 - › greater rental, at all price points and all unit sizes
 - › parking for all residents (rental and LTO)
 - › pets
 - › Attracting younger entrants to villages...very few are at the lower legislated age for entry
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Thank you
Victoria Cornell
vcornell@ech.asn.au

